

Tacoma Narrows Bridge Additional Scenarios Requested



**Washington State
Department of Transportation**

Scenario Requested by Sen. Kilmer

Pay \$5.28m in 2010 as scheduled

Tacoma Narrows Toll Bridge:
Annual Coverage Under New Two-Pronged Test
(\$ in Thousands)

Analysis of Toll Revenue Scenarios 12-15-2009
Assumption: Pay \$5.288 million back as scheduled

			2010		2011		Fiscal Year		2012		2013		2014		2015	
Debt Service Coverage Target			110.0%		110.0%		110.0%		110.0%		110.0%		110.0%		110.0%	
Coverage of All Expenditures Target			100.0%		100.0%		100.0%		100.0%		100.0%		100.0%		100.0%	
Scenario A (\$2.75 ETC/\$4.00 Cash)	Ending Balance	\$	16,143	\$	2,293	\$	635	\$	(11,378)	\$	(30,274)	\$	(50,677)			
	Debt Service Coverage		101.7%		82.2%		96.4%		87.5%		75.9%		78.5%			
	Coverage of All Expenditures		101.3%		72.7%		95.9%		77.0%		68.6%		67.5%			
Scenario B (\$3.00 ETC/\$4.00 Cash)	Ending Balance	\$	16,143	\$	4,669	\$	5,526	\$	(4,033)	\$	(20,507)	\$	(38,519)			
	Debt Service Coverage		101.7%		87.5%		102.6%		92.8%		80.3%		82.9%			
	Coverage of All Expenditures		101.3%		77.4%		102.1%		81.7%		72.6%		71.3%			
Scenario C (\$3.25 ETC/\$4.00 Cash)	Ending Balance	\$	16,143	\$	7,470	\$	11,364	\$	5,080	\$	(8,384)	\$	(23,326)			
	Debt Service Coverage		101.7%		93.7%		110.1%		99.9%		85.9%		88.6%			
	Coverage of All Expenditures		101.3%		82.9%		109.6%		88.0%		77.6%		76.2%			
Scenario D (\$3.50 ETC/\$4.00 Cash)	Ending Balance	\$	16,143	\$	10,195	\$	17,043	\$	13,914	\$	3,725	\$	(8,232)			
	Debt Service Coverage		101.7%		99.7%		117.4%		106.8%		91.9%		94.2%			
	Coverage of All Expenditures		101.3%		88.3%		116.9%		94.0%		83.1%		80.9%			
Scenario E (\$3.75 ETC/\$4.00 Cash)	Ending Balance	\$	16,143	\$	12,697	\$	22,255	\$	22,025	\$	14,903	\$	6,099			
	Debt Service Coverage		101.7%		105.3%		124.1%		113.1%		97.5%		100.0%			
	Coverage of All Expenditures		101.3%		93.2%		123.5%		99.6%		88.2%		86.0%			
Scenario F (\$3.75 ETC/\$5.00 Cash)	Ending Balance	\$	16,143	\$	15,850	\$	28,737	\$	32,013	\$	28,603	\$	23,723			
	Debt Service Coverage		101.7%		112.3%		132.3%		120.7%		104.3%		107.3%			
	Coverage of All Expenditures		101.3%		99.4%		131.7%		106.3%		94.3%		92.2%			
Scenario G (\$3.75 ETC/\$5.00 Cash)	Ending Balance	\$	16,143	\$	18,375	\$	33,998	\$	40,199	\$	39,884	\$	38,278			
	Debt Service Coverage		101.7%		117.9%		139.1%		127.1%		110.0%		113.4%			
	Coverage of All Expenditures		101.3%		104.4%		138.5%		111.9%		99.5%		97.4%			
Scenario H (\$4.25 ETC/\$5.00 Cash)	Ending Balance	\$	16,143	\$	20,846	\$	39,147	\$	48,210	\$	50,925	\$	52,522			
	Debt Service Coverage		101.7%		123.4%		145.7%		133.3%		115.6%		119.4%			
	Coverage of All Expenditures		101.3%		109.3%		145.0%		117.4%		104.5%		102.5%			
Scenario I (\$4.50 ETC/\$5.00 Cash)	Ending Balance	\$	16,143	\$	23,515	\$	44,708	\$	57,048	\$	63,042	\$	68,107			
	Debt Service Coverage		101.7%		129.4%		152.9%		140.5%		121.6%		125.8%			
	Coverage of All Expenditures		101.3%		114.5%		152.2%		123.6%		110.0%		108.1%			
Scenario J (\$2.75 ETC/\$5.00 Cash)	Ending Balance	\$	16,143	\$	4,718	\$	5,563	\$	(4,083)	\$	(20,808)	\$	(39,207)			
	Debt Service Coverage		101.7%		87.6%		102.5%		92.6%		79.9%		82.2%			
	Coverage of All Expenditures		101.3%		77.5%		102.1%		81.5%		72.2%		70.7%			

Scenario Requested by Sen. Kilmer

Pay \$5.28m in 2010 in 2013

Tacoma Narrows Toll Bridge:
Annual Coverage Under New Two-Pronged Test
(\$ in Thousands)

Analysis of Toll Revenue Scenarios 12-15-2009
Assumption: Pay \$5.288 million back in FY13

		Fiscal Year					
		2010	2011	2012	2013	2014	2015
Debt Service Coverage Target		110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Coverage of All Expenditures Target		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Scenario A (\$2.75 ETC/\$4.00 Cash)	Ending Balance	\$ 16,143	\$ 7,687	\$ 6,244	\$ (11,056)	\$ (29,952)	\$ (50,356)
	Debt Service Coverage	101.7%	82.4%	96.9%	87.5%	75.9%	78.5%
	Coverage of All Expenditures	101.3%	81.4%	96.4%	69.9%	68.6%	67.5%
Scenario B (\$3.00 ETC/\$4.00 Cash)	Ending Balance	\$ 16,143	\$ 10,063	\$ 11,136	\$ (3,711)	\$ (20,186)	\$ (38,198)
	Debt Service Coverage	101.7%	87.7%	103.1%	92.8%	80.3%	82.9%
	Coverage of All Expenditures	101.3%	86.6%	102.6%	74.2%	72.6%	71.3%
Scenario C (\$3.25 ETC/\$4.00 Cash)	Ending Balance	\$ 16,143	\$ 12,864	\$ 16,974	\$ 5,520	\$ (7,943)	\$ (22,886)
	Debt Service Coverage	101.7%	93.9%	110.6%	100.2%	85.9%	88.6%
	Coverage of All Expenditures	101.3%	92.8%	110.1%	80.1%	77.6%	76.2%
Scenario D (\$3.50 ETC/\$4.00 Cash)	Ending Balance	\$ 16,143	\$ 15,589	\$ 22,652	\$ 14,354	\$ 4,183	\$ (7,774)
	Debt Service Coverage	101.7%	100.0%	117.9%	107.1%	91.9%	94.2%
	Coverage of All Expenditures	101.3%	98.8%	117.4%	85.6%	83.1%	80.9%
Scenario E (\$3.75 ETC/\$4.00 Cash)	Ending Balance	\$ 16,143	\$ 18,090	\$ 27,864	\$ 22,465	\$ 15,360	\$ 6,575
	Debt Service Coverage	101.7%	105.5%	124.6%	113.4%	97.5%	100.1%
	Coverage of All Expenditures	101.3%	104.3%	124.1%	90.6%	88.2%	86.0%
Scenario F (\$3.75 ETC/\$5.00 Cash)	Ending Balance	\$ 16,143	\$ 21,244	\$ 34,346	\$ 32,453	\$ 29,060	\$ 24,199
	Debt Service Coverage	101.7%	112.6%	132.9%	121.0%	104.4%	107.4%
	Coverage of All Expenditures	101.3%	111.2%	132.2%	96.7%	94.4%	92.2%
Scenario G (\$3.75 ETC/\$5.00 Cash)	Ending Balance	\$ 16,143	\$ 23,769	\$ 39,607	\$ 40,639	\$ 40,342	\$ 38,754
	Debt Service Coverage	101.7%	118.2%	139.6%	127.4%	110.1%	113.4%
	Coverage of All Expenditures	101.3%	116.8%	139.0%	101.8%	99.5%	97.5%
Scenario H (\$4.25 ETC/\$5.00 Cash)	Ending Balance	\$ 16,143	\$ 26,240	\$ 44,756	\$ 48,650	\$ 51,383	\$ 52,998
	Debt Service Coverage	101.7%	123.7%	146.2%	133.6%	115.6%	119.4%
	Coverage of All Expenditures	101.3%	122.2%	145.6%	106.8%	104.5%	102.6%
Scenario I (\$4.50 ETC/\$5.00 Cash)	Ending Balance	\$ 16,143	\$ 28,909	\$ 50,318	\$ 57,488	\$ 63,500	\$ 68,583
	Debt Service Coverage	101.7%	129.6%	153.4%	140.7%	121.7%	125.8%
	Coverage of All Expenditures	101.3%	128.1%	152.7%	112.5%	110.0%	108.1%
Scenario J (\$2.75 ETC/\$5.00 Cash)	Ending Balance	\$ 16,143	\$ 10,112	\$ 11,173	\$ (3,643)	\$ (20,368)	\$ (38,766)
	Debt Service Coverage	101.7%	87.8%	103.1%	92.9%	79.9%	82.2%
	Coverage of All Expenditures	101.3%	86.7%	102.6%	74.2%	72.2%	70.7%

Scenario Requested by Sen. Kilmer

Pay \$5.28m excused

Tacoma Narrows Toll Bridge:
Annual Coverage Under New Two-Pronged Test
(\$ in Thousands)

Analysis of Toll Revenue Scenarios 12-15-2009

Assumption: \$5.288 million will not be paid back to Motor Vehicle Account

			Fiscal Year					
			2010	2011	2012	2013	2014	2015
Debt Service Coverage Target			110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Coverage of All Expenditures Target			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Scenario A (\$2.75 ETC/\$4.00 Cash)	Ending Balance	\$	16,143	\$ 7,687	\$ 6,244	\$ (5,768)	\$ (24,664)	\$ (45,068)
	Debt Service Coverage		101.7%	82.4%	96.9%	87.5%	75.9%	78.5%
	Coverage of All Expenditures		101.3%	81.4%	96.4%	77.0%	68.6%	67.5%
Scenario B (\$3.00 ETC/\$4.00 Cash)	Ending Balance	\$	16,143	\$ 10,063	\$ 11,136	\$ 1,577	\$ (14,898)	\$ (32,910)
	Debt Service Coverage		101.7%	87.7%	103.1%	92.8%	80.3%	82.9%
	Coverage of All Expenditures		101.3%	86.6%	102.6%	81.7%	72.6%	71.3%
Scenario C (\$3.25 ETC/\$4.00 Cash)	Ending Balance	\$	16,143	\$ 12,864	\$ 16,974	\$ 10,914	\$ (2,550)	\$ (17,492)
	Debt Service Coverage		101.7%	93.9%	110.6%	100.4%	85.9%	88.6%
	Coverage of All Expenditures		101.3%	92.8%	110.1%	88.4%	77.6%	76.2%
Scenario D (\$3.50 ETC/\$4.00 Cash)	Ending Balance	\$	16,143	\$ 15,589	\$ 22,652	\$ 19,748	\$ 9,793	\$ (2,165)
	Debt Service Coverage		101.7%	100.0%	117.9%	107.3%	92.3%	94.2%
	Coverage of All Expenditures		101.3%	98.8%	117.4%	94.4%	83.4%	80.9%
Scenario E (\$3.75 ETC/\$4.00 Cash)	Ending Balance	\$	16,143	\$ 18,090	\$ 27,864	\$ 27,859	\$ 20,970	\$ 12,409
	Debt Service Coverage		101.7%	105.5%	124.6%	113.6%	97.9%	100.5%
	Coverage of All Expenditures		101.3%	104.3%	124.1%	100.0%	88.5%	86.3%
Scenario F (\$3.75 ETC/\$5.00 Cash)	Ending Balance	\$	16,143	\$ 21,244	\$ 34,346	\$ 37,847	\$ 34,670	\$ 30,033
	Debt Service Coverage		101.7%	112.6%	132.9%	121.2%	104.8%	107.8%
	Coverage of All Expenditures		101.3%	111.2%	132.2%	106.7%	94.7%	92.6%
Scenario G (\$3.75 ETC/\$5.00 Cash)	Ending Balance	\$	16,143	\$ 23,769	\$ 39,607	\$ 46,032	\$ 45,952	\$ 44,588
	Debt Service Coverage		101.7%	118.2%	139.6%	127.6%	110.5%	113.9%
	Coverage of All Expenditures		101.3%	116.8%	139.0%	112.3%	99.9%	97.8%
Scenario H (\$4.25 ETC/\$5.00 Cash)	Ending Balance	\$	16,143	\$ 26,240	\$ 44,756	\$ 54,044	\$ 56,992	\$ 58,832
	Debt Service Coverage		101.7%	123.7%	146.2%	133.8%	116.0%	119.8%
	Coverage of All Expenditures		101.3%	122.2%	145.6%	117.8%	104.9%	102.9%
Scenario I (\$4.50 ETC/\$5.00 Cash)	Ending Balance	\$	16,143	\$ 28,909	\$ 50,318	\$ 62,882	\$ 69,109	\$ 74,417
	Debt Service Coverage		101.7%	129.6%	153.4%	141.0%	122.1%	126.2%
	Coverage of All Expenditures		101.3%	128.1%	152.7%	124.1%	110.4%	108.5%
Scenario J (\$2.75 ETC/\$5.00 Cash)	Ending Balance	\$	16,143	\$ 10,112	\$ 11,173	\$ 1,750	\$ (14,975)	\$ (33,373)
	Debt Service Coverage		101.7%	87.8%	103.1%	93.1%	79.9%	82.2%
	Coverage of All Expenditures		101.3%	86.7%	102.6%	82.0%	72.2%	70.7%

Scenario Requested by CAC Chair

Debt Service Coverage Calculation

Debt Service Coverage Calculation - December 2009

Formula: Use gross revenue less operating expenditures to get net revenue; use net revenue and divide it by debt service to get Debt Service Coverage.

Notes:

"Net Revenue" does not include the expenses on (1) "Preservation of New Bridge, Roadway and Toll Systems", (2) "Deferred Sales Tax", and (3) the \$5.288 million repayment to Motor Vehicle Account.

		Scenario A						Scenario F					
		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Gross Revenue													
	Interest Earnings from Tacoma Narrows Account (511)	640	361	56	-	-	-	640	627	874	1,191	1,189	1,026
	Interest Earnings from Toll Collections Account (495)	121	125	130	133	135	138	121	160	185	189	173	176
	Toll Revenue	46,552	48,227	49,915	51,171	52,187	53,202	46,552	61,484	63,674	65,298	66,595	67,889
	Transponder Sales Revenue	698	735	763	783	798	814	698	735	763	783	798	814
	Violations	687	724	751	771	786	801	687	724	751	771	786	801
	Fees	104	104	104	104	104	104	104	104	104	104	104	104
	Subtotal	48,801	50,277	51,718	52,961	54,010	55,059	48,801	63,834	66,331	68,316	69,644	70,810
Less	Operating Expenditures												
	WSDOT Oversight & Admin. of Toll Operations	1,879	1,888	1,348	1,348	1,361	1,372	1,879	1,888	1,348	1,348	1,361	1,372
	Toll Operator Contract	7,794	7,794	7,861	7,861	7,932	8,002	7,794	7,794	7,861	7,861	7,932	8,002
	Insurance	2,534	2,534	2,534	2,534	2,534	2,534	2,534	2,534	2,534	2,534	2,534	2,534
	Washington State Patrol	342	342	328	328	331	334	342	342	328	328	331	334
	Maintenance of New Bridge	769	779	746	746	753	760	769	779	746	746	753	760
	Subtotal	13,318	13,337	12,817	12,817	12,911	13,002	13,318	13,337	12,817	12,817	12,911	13,002
Equals	Net Revenue	35,483	36,940	38,901	40,144	41,099	42,057	35,483	50,497	53,514	55,499	56,733	57,808
Divided by	Debt Service	34,903	44,955	40,443	45,963	54,373	53,859	34,903	44,955	40,443	45,963	54,373	53,859
Equals	Debt Service Coverage	101.7%	82.2%	96.2%	87.3%	75.6%	78.1%	101.7%	112.3%	132.3%	120.7%	104.3%	107.3%

Scenario Requested by CAC Chair

Coverage of All Expenditures Calculation

Coverage of All Expenditures Calculation

Formula: Use gross revenue less operating expenditures to get net revenue; use net revenue and divide it by total expenditures to get Coverage of All Expenditures.

Note:

"All Expenditures" include the expenditures that have not been captured by Net Revenue. These expenditures are: (1) Preservation of New Bridge, Roadway and Toll Systems; (2) Deferred Sales Tax; (3) the \$5.288 million repayment to Motor Vehicle Account; and (4) Debt Service.

		Scenario A						Scenario F					
		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
	Gross Revenue	48,801	50,277	51,718	52,961	54,010	55,059	48,801	63,834	66,331	68,316	69,644	70,810
Less	Operating Expenditures	13,318	13,337	12,817	12,817	12,911	13,002	13,318	13,337	12,817	12,817	12,911	13,002
Equals	Net Revenue	35,483	36,940	38,901	40,144	41,099	42,057	35,483	50,497	53,514	55,499	56,733	57,808
Divided by	All Expenditures												
	Preservation of New Bridge, Roadway & Toll Systems	136	546	185	503	13	3,072	136	546	185	503	13	3,072
	Deferred Sales Tax	-	-	-	5,757	5,757	5,757	-	-	-	5,757	5,757	5,757
	Transfers from/(to) Other Accounts	-	5,288	-	-	-	-	-	5,288	-	-	-	-
	Debt Service	34,903	44,955	40,443	45,963	54,373	53,859	34,903	44,955	40,443	45,963	54,373	53,859
	Subtotal	35,039	50,789	40,628	52,223	60,143	62,688	35,039	50,789	40,628	52,223	60,143	62,688
Equals	Coverage of All Expenditures	101.3%	72.7%	95.8%	76.9%	68.3%	67.1%	101.3%	99.4%	131.7%	106.3%	94.3%	92.2%

Scenario Requested by Dan O'Neal

Debt Service Coverage Calculation Difference

Tacoma Narrows Toll Bridge Account (511)

Debt Service Coverage Calculation - November 2009

(dollars in thousands)

Formula: Use gross revenue less operating expenditures to get net revenue; use net revenue and divide it by debt service to get Debt Service Coverage.

Note:

The Debt Service Coverage difference between the November 2009 calculation and December 2009 calculation is due to the change of how we calculate Net Revenue. Three expenses in November calculation were not included in December Debt Service Coverage calculation. These three items are: (1) Preservation of New Bridge, Roadway and Toll systems; (2) Deferred Sales Tax; and (3) Repayment to Motor Vehicle Account (\$5.288 million).

		Scenario A						Scenario F					
		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Gross Revenue													
	Interest Earnings from Tacoma Narrows Account (511)	640	361	56	-	-	-	640	627	874	1,191	1,189	1,026
	Interest Earnings from Toll Collections Account (495)	121	125	130	133	135	138	121	180	185	189	173	176
	Toll Revenue	46,552	48,227	49,915	51,171	52,187	53,202	46,552	61,484	63,074	65,298	66,595	67,889
	Transponder Sales Revenue	698	735	763	783	798	814	698	735	763	783	798	814
	Violations	687	724	751	771	786	801	687	724	751	771	786	801
	Fees	104	104	104	104	104	104	104	104	104	104	104	104
	Transfers from/(to) Other Accounts	-	(5,288)	-	-	-	-	-	(5,288)	-	-	-	-
	Subtotal	48,801	44,989	51,718	52,961	54,010	55,059	48,801	58,546	66,331	68,316	69,644	70,810
Less	Operating Expenditures												
	WSDOT Oversight & Admin. of Toll Operations	1,879	1,888	1,348	1,348	1,361	1,372	1,879	1,888	1,348	1,348	1,361	1,372
	Toll Operator Contract	7,794	7,794	7,861	7,861	7,932	8,002	7,794	7,794	7,861	7,861	7,932	8,002
	Insurance	2,534	2,534	2,534	2,534	2,534	2,534	2,534	2,534	2,534	2,534	2,534	2,534
	Washington State Patrol	342	342	328	328	331	334	342	342	328	328	331	334
	Maintenance of New Bridge	769	779	746	746	753	760	769	779	746	746	753	760
	Preservation of New Bridge, Roadway & Toll Systems	136	546	185	503	13	3,072	136	546	185	503	13	3,072
	Deferred Sales Tax	-	-	-	5,757	5,757	5,757	-	-	-	5,757	5,757	5,757
	Subtotal	13,454	13,883	13,002	19,077	18,681	21,831	13,454	13,883	13,002	19,077	18,681	21,831
Equals	Net Revenue	35,347	31,106	38,716	33,884	35,329	33,228	35,347	44,663	53,329	49,239	50,963	48,979
Divided by	Debt Service	34,903	44,955	40,443	45,963	54,373	53,859	34,903	44,955	40,443	45,963	54,373	53,859
Equals	Debt Service Coverage	101.3%	69.2%	95.7%	73.7%	65.0%	61.7%	101.3%	99.3%	131.9%	107.1%	93.7%	90.9%